

STATE OF WISCONSIN

CIRCUIT COURT

MILWAUKEE COUNTY

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STATE OF WISCONSIN,

Plaintiff,

v.

Case No.

FREDERICK J. RUTLEDGE  
W209N5497 Groetz Court  
Menomonee Falls, Wisconsin 53051  
D.O.B: 07/24/67

Defendant.

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CRIMINAL COMPLAINT

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I, GREGORY R. SCHULER, BEING DULY SWORN, UPON INFORMATION AND  
BELIEF, STATE THAT:

**COUNT ONE**

On or about February 24, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made,, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$742.16, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

## **COUNT TWO**

On or about February 26, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$885.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

## **COUNT THREE**

On or about February 27, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$696.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

#### **COUNT FOUR**

On or about March 6, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$801.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

#### **COUNT FIVE**

On or about March 9, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$372.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

### **COUNT SIX**

On or about March 10, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$708.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

### **COUNT SEVEN**

On or about March 11, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$936.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

### **COUNT EIGHT**

On or about March 12, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$585.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

### **COUNT NINE**

On or about March 13, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$393.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

### **COUNT TEN**

On or about March 16, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$1,025.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

### **COUNT ELEVEN**

On or about March 17, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$543.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

## **COUNT TWELVE**

On or about March 18, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$426.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

## **COUNT THIRTEEN**

On or about March 20, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$282.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

#### **COUNT FOURTEEN**

On or about March 23, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$354.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

#### **COUNT FIFTEEN**

On or about March 24, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$540.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.



### **COUNT SIXTEEN**

On or about March 26, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$276.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

### **COUNT SEVENTEEN**

On or about March 27, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$300.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

## **COUNT EIGHTEEN**

On or about March 30, 2009, in the City of Milwaukee, Milwaukee County, State of Wisconsin, defendant Frederick J. Rutledge, did, as the owner and operator of a Specialized Medical Vehicle transportation company that transported Medicaid patients to appointments at hospitals and medical clinics, knowingly and willfully made, or caused to be made, false statements or representations of a material fact in an application for payment, to wit: submitted false statements in support of claims for payment from Medicaid for funds totaling \$252.00, for which he was partially paid by the Wisconsin Medicaid Program, all contrary to Wis. Stat. § 49.49(1)(a)1.

Upon conviction of this offense, a Class H felony, the defendant may be fined not more than twenty-five thousand dollars (\$25,000), or imprisoned not to exceed six (6) years, or both.

### **PROBABLE CAUSE AS FOLLOWS**

1. Complainant is an Auditor Senior with the State of Wisconsin Department of Justice, Medicaid Fraud Control and Elder Abuse Unit (MFCEAU) and has worked for the Unit for five years. The Medicaid Fraud Control and Elder Abuse Unit is in charge of investigations and prosecutions of criminal offenses related to the Medical Assistance Program (also known as "Medicaid"). Your complainant was formerly employed as a law enforcement officer and a detective with the City of Milwaukee Police Department for twenty-six years. In the capacity of an Investigative Auditor, your complainant investigates instances of fraud and related financial crimes against the Medicaid Program perpetrated by institutions and individuals who are to provide services and/or equipment to Medicaid recipients.

2. Your complainant believes that the crimes occurred in the Cities of Milwaukee and Madison, in the Counties of Milwaukee and Dane, in the State of Wisconsin.

3. Your complainant has personal knowledge that the State of Wisconsin, through the Medicaid Program, provides funding for certified Specialized Medical Vehicle (SMV) transportation companies for transporting Wisconsin Medicaid recipients to necessary medical services performed by clinics and hospitals as mandated under Wis. Admin. Code § DHS 107.23. Oversight and funding for the SMV Transportation Program is provided by the Wisconsin Department of Health Services, Bureau of Program Integrity. Regulations provide that "trip tickets" be filled out setting forth the identity of the driver and the mileage for the trip, and that the tickets be maintained as part of the Medicaid reimbursement process. Both drivers and vehicles had to be certified by the state to provide transportation services. In order to be certified, drivers had to receive particular training and vehicles had to be inspected and have particular safety equipment installed.

4. Your complainant has personally spoken with and read the written report of Charles Duval, an Auditor for the Wisconsin Department of Health Services, Bureau of Program Integrity, and a person your affiant believes to be truthful and reliable. Duval reports he conducted an audit of Precious Transit, LLC located at 9746 West Appleton Avenue, Milwaukee, Wisconsin for the period of March 1, 2009 through August 5, 2009. During that time period, Precious Transit, LLC received for reimbursement for transporting Medicaid recipients, \$159,370.65 for a total of 5,503 claims. Duval concluded, as a result of his audit, that Precious Transit, LLC used drivers and vehicles that were not certified for transporting Medicaid members. Duval also concluded Precious Transit, LLC also routinely overstated the mileage claimed to Medicaid for reimbursement.

5. Your complainant has personally interviewed Takia Coe, a citizen witness whom your complainant believes to be truthful and reliable. Coe stated she worked for Precious Transit, LLC (a SMV transportation company) located at 9746 West Appleton Avenue,

Milwaukee, Wisconsin as the billing clerk from February 16, 2009 to December 8, 2009. Coe further stated her boss was Fred Rutledge, the owner of the company, and she worked directly with him in the office. Coe also stated she was fired from Precious Transit, LLC after she raised concerns about billing issues with Mr. Rutledge. Your complainant asked Coe what billing issues she was referring to. Coe stated that over the ten month period she worked in the Precious Transit office with Mr. Rutledge, she observed him fill in his name, or the name of a former qualified employee, on SMV transportation trip tickets as being the driver, when neither he nor the former qualified employees were the driver. Coe stated Mr. Rutledge would also "white out" a driver's name that was not qualified to drive, and would put his own name in the slot. Coe stated she never observed Mr. Rutledge leave to do a trip and it was commonly known that he did not act as a driver on SMV trips. Coe stated Mr. Rutledge did this name change on approximately 50 – 75 trip tickets. Coe stated she believed the trips were completed; however, they would have been completed by an unqualified person. Coe stated an unqualified person might have been a family member or friend of Mr. Rutledge who might not have a license, is not certified in First Aid and CPR, or someone who has no training at all regarding handicapped individuals. Coe stated she believed Mr. Rutledge would pay these unqualified drivers "on the side" as she did not see any paychecks issued to them through the office of Precious Transit, LLC. Coe further stated that Darcie Love, another employee, and herself would also "white out" unqualified drivers' names on trip tickets, and put Mr. Rutledge's name as being the driver. Coe stated, at the direction of Mr. Rutledge, they did this about 10 – 20 times each. Coe stated this was done for the same reason and that reason was, if an unqualified person was the driver, the Medicaid Program would not pay for the trip if the unqualified driver was listed on the trip ticket. Coe stated she knew it was wrong for her to fraudulently complete the SMV trip tickets but did so at the direction of Mr. Rutledge.

6. Your complainant has also personally interviewed Melissa Johnson, a citizen witness whom your complainant believes to be truthful and reliable. Johnson stated she worked as a Specialized Medical Vehicle driver for Precious Transit, LLC, a SMV company located at 9746 West Appleton Avenue, Milwaukee, Wisconsin from October 7, 2008 until December 8, 2009, and her boss was Fred Rutledge, the owner of the company. Melissa stated she became aware of what she believed to be fraud occurring at Precious Transit, LLC shortly after being hired. Johnson stated she noticed in October and November of 2008, Fred Rutledge and Lashonte Cooper, another employee, were completing the SMV trip tickets with names of drivers who had not done the driving of Medicaid clients. Johnson stated drivers who conveyed the clients were told by Rutledge not to complete the portion of the trip ticket where the driver's name was supposed to go, and he would complete it. Johnson stated over the time period she worked for Precious Transit, LLC she observed Rutledge and Cooper each complete about 20 trip tickets fraudulently where they would list Rutledge or former qualified employees of Precious Transit as the driver, when they weren't. Johnson stated Rutledge had a family member or a friend do the driving. Johnson believed these persons did not have the required training and would not have qualified as a Medicaid client driver. Johnson stated she never saw Rutledge do any of the trips as a driver. Johnson stated they completed these forms inside of the Precious Transit office under the direction of Rutledge. Johnson stated this continued until she was fired in December of 2009.

7. Your complainant has also personally interviewed Timothy T. Greer, a citizen witness whom your complainant believes to be truthful and reliable. Greer stated he was employed as a manager for Precious Transport, LLC located at 9746 West Appleton Avenue, Milwaukee, Wisconsin from June 2008 until December 24, 2009. Greer stated he first started working for Precious Transit, LLC shortly after it opened in April of 2008, later becoming a

manager of the business. Greer stated he worked directly under Fred Rutledge, the business owner. Greer stated that at first, they had 3 vans and approximately 40 – 50 Medicaid transportation clients, and that quickly grew to approximately 500 clients and 11 vans. Greer indicated some of the vans were not State of Wisconsin certified for Medicaid client transportation. Greer stated shortly after he was hired, Rutledge told him to make sure the drivers did not complete the portion of the SMV trip ticket which requests the driver's name. Greer stated the reason for this was that some of the drivers Precious Transit, LLC were using were not certified to convey Medicaid clients. Rutledge would pay the non-certified drivers cash and list a different driver on the ticket in order to get Medicaid reimbursement. Greer also heard Rutledge tell the drivers not to complete the driver's name portion of the trip ticket. Greer stated he observed Rutledge, Erica Grady, Damar Farmer, and Lashonte Cooper complete the SMV trip tickets in the Precious Transit office with a different driver's name than the one that had actually driven the van on the trip. Greer stated they would use Rutledge or the following former employees as being the driver: Darice Love, John Flemings, Michael Pittman, Angela Jackson, Joseph Beard, Barbara Jones, Darrell Townsend, Damond Harris and Leon Johnson. Greer stated the persons who were actually doing the driving were in fact family and friends of Rutledge, including Damar Farmer, Rutledge's son-in-law, and Monica Hillebrew. Greer stated the fraudulent trip ticket signings occurred throughout 2008 and 2009. He further related he recalls there being a gathering on the night before a 2009 state audit. He recalled the gathering included Fred Rutledge, Damar Farmer, Rita Rutledge, and Erica Grady. Greer stated the four of them reviewed all of the SMV documentation of Precious Transit, LLC and signed numerous trip tickets with inaccurate driver information in order to pass the audit. Greer stated Fred Rutledge asked him to assist with the signing of driver's names but he refused. Greer stated he knew it

was wrong and did not want to get in trouble. Greer stated in 2008 and 2009, he observed Fred Rutledge sign over 100 trip tickets with fraudulent driver information.

8. Your complainant personally interviewed defendant Frederick J. Rutledge, who made statements against his penal interests. During an initial interview held on February 11, 2010, your complainant asked defendant Rutledge to explain his relationship with Precious Transit, LLC. He stated he and his wife, Roshelle, are the co-owners of Precious Transit, LLC, along with three daycare centers with a business name of "Most Precious Possessions." Defendant Mr. Rutledge stated they have owned Precious Transit, LLC since March of 2008 when they opened the business to give handicapped people a good experience for transportation. Defendant Rutledge stated they started out with about 50 clients. In 2009, it increased to about 500 clients, many of them Medicaid recipients. Defendant Rutledge stated in 2010, they reduced the number of clients to about 50, and subsequently actually stopped doing trips. Defendant Rutledge stated Medicaid does not pay enough and the business was losing money.

9. Your complainant further asked defendant Rutledge if he committed fraud involving the Medicaid Program or if he was aware of any fraud occurring regarding Precious Transit, LLC and the Medicaid Program. Defendant Rutledge stated he is 100% sure there is no fraud occurring with Precious Transit, LLC and the Medicaid Program, and has not committed any fraudulent acts himself. Defendant Rutledge stated he is well aware of all the regulations that are involved in being a Medicaid provider and he has worked with state officials to make sure his company was complying with those regulations. Defendant Rutledge stated it would not make sense for Precious Transit, LLC or himself to commit fraud. Defendant Rutledge stated he has a lot of time and money invested in this business and why would he jeopardize that by trying to file inaccurate numbers. Your complainant further asked defendant Rutledge if he was a driver for Precious Transit, LLC and he stated he drove only five (5) or six (6) times in 2009, and has

not driven since August of 2009. Defendant Rutledge stated he is too busy to drive any more than that and drove only as a last resort. Defendant Rutledge stated when the company first opened in 2008, Timothy Greer and he drove a lot.

10. I asked Defendant Rutledge if he ever instructed his drivers or staff to leave the driver's name portion of the trip ticket blank and he stated he never did that. Defendant Rutledge stated that drivers were instructed to complete the trip ticket fully and accurately. Your complainant further asked Defendant Rutledge if he or anyone else ever listed himself or someone else as being the driver when they were not. Defendant Rutledge stated he never instructed anyone to do that and is sure it did not happen. Defendant Rutledge stated he would correct a trip ticket on occasion if there was a mistake. At the conclusion of your complainant's interview with defendant Rutledge, defendant Rutledge stated he welcomed a full investigation because he knew the trip tickets for Precious Transit, LLC were 100% accurate and could not be wrong.

11. Your complainant personally interviewed defendant Rutledge for a second time on March 10, 2010. At the outset of the second interview, your complainant reviewed with defendant Rutledge a report your complainant had prepared regarding the interview that was conducted with Rutledge on February 11, 2010. Your complainant asked defendant Rutledge if the details in this report were truthful and reported accurately and he stated they were. Your complainant then asked him again about the number of SMV trips he told me he drove in 2009 for Precious Transit, LLC and he again affirmed it was five (5) or six (6). Your complainant then informed Mr. Rutledge he had reviewed SMV trip tickets of Precious Transit, LLC for 2009 that had been seized in the search of a Precious Transit facility on February 11, 2010, and discovered that he (Rutledge) had signed at least 155 trip tickets listing himself as being the driver. Your complainant then asked him about the discrepancy and defendant Rutledge stated



he believed he did a lot of those trips, but not all. Your complainant asked him if he could give an estimate of how many of the trips he did, and he stated he could not give me an approximate number.

12. Your complainant then showed defendant Rutledge 26 SMV trip tickets regarding Precious Transit, LLC for trips purported to be driven in 2009 by defendant Fred Rutledge. The signature box and driver's name box on the trip tickets had been whited-out, and Fred Rutledge's name and signature was affixed on top of the portion which was whited-out. Your complainant asked defendant Rutledge to look at these 26 trip tickets and let me know if he signed and printed his name on top of the sections whited-out. Defendant Rutledge then reviewed the trip tickets and stated he did sign and print his name on these 26 trip tickets. Your complainant then asked defendant Rutledge why he signed on top of the portions whited-out, and he stated he had made a mistake on these trip tickets and initially put the wrong information in the spot where he was supposed to sign and print his name. He stated he might have put the client name or pick-up or drop-off address in this section by mistake. Defendant Rutledge stated the office staff would review the trip ticket, white-out the wrong information, and then have him sign and print his name in the correct spot.

13. Your complainant then had defendant Rutledge review the 11 Precious Transit, LLC SMV trip tickets regarding trips that occurred on March 10, 2009. Your complainant then asked defendant Rutledge if he had signed and printed his name on these trip tickets. He stated he signed and printed his name on 10 of the 11 trip tickets. Defendant Rutledge stated the signature and printing of his name on one of the 11 tickets was not done by him and he did not know who signed it.

14. Your complainant then asked defendant Rutledge to review eight (8) Precious Transit SMV trip tickets regarding trips that occurred on March 11, 2009. Your complainant

then asked him if he signed and printed his name on these trip tickets. Defendant Rutledge stated he signed and printed his name on seven (7) of the eight (8) trip tickets, but did not sign or print his name on one of the tickets. He stated he did not know who signed it.

15. Your complainant then had defendant Rutledge review the nine (9) Precious Transit, LLC SMV trip tickets regarding trips that occurred on March 12, 2009. Your complainant then asked him if he signed and printed his name on these trip tickets. Defendant Rutledge stated he signed and printed his name on eight (8) of the nine (9) trip tickets, but did not sign or print his name on one of the tickets. He stated he did not know who signed it.

16. Your complainant then had defendant Rutledge review the four (4) Precious Transit, LLC SMV trip tickets regarding trips that occurred on March 19, 2009. Your complainant then asked him if he signed and printed his name on these trip tickets. Defendant Rutledge stated he did not sign or print his name on any of the four (4) trip tickets. Defendant Rutledge stated he did not know who filled in this information but it was not him. Defendant Rutledge stated he never gave anyone permission to sign his name on any of the Precious Transit, LLC documentation.

17. Your complainant then informed defendant Rutledge he had signed numerous Precious Transit, LLC trip tickets listing himself as being the driver of multiple vans (some times the same van), at the same time, on the same date. Your complainant asked defendant Rutledge if he could explain that. Defendant Rutledge stated it was a mistake and he was signing whatever his office manager, Timothy Greer, was telling him to sign. Defendant Rutledge further stated he would also sign some trip tickets because office staff members told him he needed to sign the trip tickets so we (Precious Transit, LLC) could get paid. Defendant Rutledge stated he signed the part of the trip ticket that requested a driver's name and signature. Defendant Rutledge stated he would eventually review the trip tickets and billing information;

however, his office manager would be the one who would eventually submit the documentation to the Medicaid Program requesting payment, albeit pursuant to his direction. Defendant Rutledge stated he is the person responsible for reviewing what is submitted to the Medicaid Program for reimbursement, and he should have spent more time at Precious Transit, LLC. Defendant Rutledge stated that regarding errors made in 2009, it was a learning curve and he made mistakes. Defendant Rutledge stated "I signed some of the trip tickets because my office staff told me to. I needed to get paid." Defendant Rutledge also stated "The trip tickets were coming at me fast and I needed to sign them."

18. On February 11, 2010, your complainant assisted with a search warrant executed at Precious Transit, LLC located at 9746 West Appleton Avenue, Milwaukee, Wisconsin in which business records, including SMV trip tickets, pertaining to the operation of Precious Transit, LLC were seized by the Wisconsin Department of Justice. Your complainant has conducted an extensive review of the Precious Transit, LLC records seized by the Wisconsin Department of Justice, Medicaid Fraud Control and Elder Abuse Unit. The purpose of this review was to locate any Wisconsin Medicaid Specialized Medical Vehicle transportation trip tickets that had Fred Rutledge listed, and Fred Rutledge signing, as being the driver of the trip. Upon completion of this review, your complainant determined that for 2009, there were 193 SMV trip tickets that listed Fred Rutledge as the driver, and also had his signature appearing on these trip tickets. The 193 trip tickets that were segregated by your complainant were used in an analysis with business records regarding payments made to Precious Transit, LLC for Medicaid transportation services delivered to Medicaid patients. The business records regarding payments made to Precious Transit, LLC were records maintained in the normal course of business by the Wisconsin Department of Health Services, Medicaid Program. Based on your complainant's review, it became apparent that many of the trip tickets listed Fred Rutledge as being the driver of two or

more SMV vans at the same time. Specifically, defendant Rutledge is listed as being the driver (printed name and signature) on the trip tickets of the SMV conveying the listed Medicaid recipients on the following conflicting times and dates, and subsequently billing the Medicaid Program for the below listed amounts:

**2/24/2009**

HK from 9:34 a.m. to 9:50 a.m.	Van 327 ZYF	Billed \$ 72.00	Paid \$16.03
KK from 9:40 a.m. to 10:00 a.m.	Van 136 ZYF	Billed \$192.00	Paid \$ 0.00
SP from 11:08 a.m. to 11:40 a.m.	Van 136 ZYF	Billed \$ 36.58	Paid \$ 0.00
TC from 11:30 a.m. to 12:22 p.m.	Van 136 ZYF	Billed \$ 36.58	Paid \$ 0.00
BC from 11:28 a.m. to 12:03 p.m.	Van 136 ZYF	Billed \$192.00	Paid \$54.22
DN from 12:18 p.m. to 12:34 p.m.	Van 327 ZYF	Billed \$153.00	Paid \$37.84
DJ from 12:21 p.m. to 12:33 p.m.	Van 327 ZYF	<u>Billed \$ 60.00</u>	Paid \$23.98
TOTAL		\$742.16	

**2/26/2009**

AL from 8:00 a.m. to 8:15 a.m.	Van 136 ZYF	Billed \$ 60.00	Paid \$21.98
MS from 8:04 a.m. to 8:17 a.m.	Van 327 ZYF	Billed \$129.00	Paid \$10.99
KK from 12:21 p.m. to 12:50 p.m.	Van 136 ZYF	Billed \$168.00	Paid \$ 0.00
FH from 12:49 p.m. to 1:20 p.m.	Van 136 ZYF	Billed \$198.00	Paid \$56.74
JS from 1:00 p.m. to 1:18 p.m.	Van 327 ZYF	Billed \$135.00	Paid \$28.28
DJM from 3:15 p.m. to 4:15 p.m.	Van 327 ZYF	Billed \$135.00	Paid \$30.28
VG from 3:32 p.m. to 3:45 p.m.	Van 327 ZYF	<u>Billed \$ 60.00</u>	Paid \$21.98
TOTAL		\$885.00	

**2/27/2009**

JL from 8:18 a.m. to 8:36 a.m.	Van 136 ZYF	Billed \$ 30.00	Paid \$10.99
MJ from 8:36 a.m. to 8:56 a.m.	Van 327 ZYF	Billed \$150.00	Paid \$36.58
FM from 11:40 a.m. to 12:25 p.m.	Van 136 ZYF	Billed \$108.00	Paid \$29.54
LB from 12:22 p.m. to 12:43 p.m.	Van 136 ZYF	Billed \$120.00	Paid \$27.02
RG from 1:07 p.m. to 1:30 p.m.	Van 136 ZYF	Billed \$138.00	Paid \$31.54
MJ from 1:10 p.m. to 1:30 p.m.	Van 340 ZYF	<u>Billed \$150.00</u>	Paid \$34.58
TOTAL		\$696.00	

**3/6/2009**

TC from 7:27 a.m. to 8:00 a.m.	Van 327 ZYF	Billed \$147.00	Paid \$43.40
SB from 8:00 a.m. to 8:20 a.m.	Van 124 ZYF	Billed \$ 60.00	Paid \$21.98
LW from 2:25 p.m. to 2:37 p.m.	Van 136 ZYF	Billed \$ 60.00	Paid \$23.98
TR from 2:32 p.m. to 2:49 p.m.	Van 136 ZYF	Billed \$132.00	Paid \$ 0.00
LK from 2:34 p.m. to 3:02 p.m.	Van 327 ZYF	Billed \$171.00	Paid \$43.40
CR from 3:23 p.m. to 3:29 p.m.	Van 136 ZYF	Billed \$ 60.00	Paid \$21.98
EL from 3:00 p.m. to 3:35 p.m.	Van 124 ZYF	<u>Billed \$171.00</u>	Paid \$43.40
TOTAL		\$801.00	

**3/9/2009**

CH from 1:40 p.m. to 2:25 p.m.	Van 124 ZYF	Billed \$192.00	Paid \$ 0.00
JV from 1:45 p.m. to 2:15 p.m.	Van 124 ZYF	Billed \$ 60.00	Paid \$23.98
ES from 3:30 p.m. to 3:50 p.m.	Van 124 ZYF	Billed \$ 60.00	Paid \$21.98
VG from 3:47 p.m. to 3:56 p.m.	Van 327 ZYF	<u>Billed \$ 60.00</u>	Paid \$21.98
TOTAL		\$372.00	

**3/10/2009**

DH from 8:50 a.m. to 9:29 a.m.	Van 136 ZYF	Billed \$183.00	Paid \$48.44
SB from 9:10 a.m. to 9:44 a.m.	Van 124 ZYF	Billed \$ 60.00	Paid \$21.98
JA from 12:35 p.m. to 1:30 p.m.	Van 136 ZYF	Billed \$162.00	Paid \$41.62
LD from 12:53 p.m. to 1:20 p.m.	Van 327 ZYF	Billed \$198.00	Paid \$56.74
AV from 1:05 p.m. to 1:35 p.m.	Van 124 ZYF	<u>Billed \$105.00</u>	Paid \$28.28
TOTAL		\$708.00	

**3/11/2009**

BC from 11:40 a.m. to 12:15 p.m.	Van 136 ZYF	Billed \$192.00	Paid \$54.22
JH from 11:42 a.m. to 12:05 p.m.	Van 327 ZYF	Billed \$ 66.00	Paid \$ 0.00
JC from 11:52 a.m. to 12:15 p.m.	Van 137 ZYF	Billed \$171.00	Paid \$43.40
LK from 12:48 a.m. to 1:08 p.m.	Van 327 ZYF	Billed \$144.00	Paid \$32.06
JA from 12:50 p.m. to 1:30 p.m.	Van 136 ZYF	Billed \$159.00	Paid \$40.36

LK from 2:25 p.m. to 2:50 p.m.	Van 327 ZYF	Billed \$144.00	Paid \$ 0.00
SF from 2:00 p.m. to 2:25 p.m.	Van 136 ZYF	<u>Billed \$ 60.00</u>	Paid \$21.98

TOTAL		\$936.00	
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### 3/12/2009

SB from 8:05 a.m. to 8:20 a.m.	Van 124 ZYF	Billed \$ 60.00	Paid \$21.98
CR from 8:07 a.m. to 8:20 a.m.	Van 327 ZYF	Billed \$ 60.00	Paid \$21.98

RC from 11:32 a.m. to 12:15 p.m.	Van 340 ZYF	Billed \$168.00	Paid \$42.14
DN from 11:58 a.m. to 12:23 p.m.	Van 340 ZYF	Billed \$156.00	Paid \$39.10
DW from 12:15 p.m. to 12:40 p.m.	Van 136 ZYF	<u>Billed \$141.00</u>	Paid \$32.80

TOTAL		\$585.00	
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### 3/13/2009

MD from 1:25 p.m. to 2:05 p.m.	Van 124 ZYF	Billed \$162.00	Paid \$39.62
BW from 2:00 p.m. to 2:22 p.m.	Van 340 ZYF	Billed \$171.00	Paid \$45.40
EL from 2:15 p.m. to 2:40 p.m.	Van 136 ZYF	<u>Billed \$ 60.00</u>	Paid \$32.32

TOTAL		\$393.00	
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### 3/16/2009

DC from 8:45 a.m. to 9:15 a.m.	Van 124 ZYF	Billed \$135.00	Paid \$30.28
FM from 9:11 a.m. to 9:30 a.m.	Van 340 ZYF	Billed \$132.00	Paid \$27.02
DC from 9:45 a.m. to 10:10 a.m.	Van 124 ZYF	Billed \$135.00	Paid \$30.28
KM from 10:00 a.m. to 10:30 a.m.	Van 136 ZYF	Billed \$ 60.00	Paid \$23.98

DN from 11:20 a.m. to 12:35 p.m.	Van 124 ZYF	Billed \$114.00	Paid \$34.67
TC from 11:34 a.m. to 11:55 a.m.	Van 340 ZYF	Billed \$141.00	Paid \$32.80
HK from 12:15 p.m. to 12:50 p.m.	Van 124 ZYF	Billed \$116.00	Paid \$32.32

RC from 2:15 p.m. to 2:30 p.m.	Van 136 ZYF	Billed \$ 60.00	Paid \$21.98
KGL from 2:15 p.m. to (no time listed)	Van 124 ZYF	<u>Billed \$132.00</u>	Paid \$29.02

TOTAL		\$1,025.00	
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### 3/17/2009

DW from 9:44 a.m. to 10:05 a.m.	Van 289 ZYF	Billed \$ 60.00	Paid \$21.98
DB from 9:55 a.m. to 10:15 a.m.	Van 136 ZYF	Billed \$ 60.00	Paid \$21.98

AV from 1:05 p.m. to 1:35 p.m.	Van 124 ZYF	Billed \$108.00	Paid \$29.54
MT from 1:08 p.m. to 1:34 p.m.	Van 340 ZYF	Billed \$135.00	Paid \$28.28
SG from 1:11 p.m. to 1:15 p.m.	Van 340 ZYF	Billed \$ 60.00	Paid \$21.98

DN from 4:05 p.m. to 4:49 p.m.	Van 327 ZYF	Billed \$ 60.00	Paid \$21.98
SG from 4:18 p.m. to 4:25 p.m.	Van 340 ZYF	<u>Billed \$ 60.00</u>	Paid \$21.98

TOTAL		\$543.00	
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**3/18/2009**

FM from 11:50 a.m. to 12:10 p.m.	Van 124 ZYF	Billed \$126.00	Paid \$24.50
CB from 11:58 a.m. to 12:31 p.m.	Van 327 ZYF	Billed \$180.00	Paid \$49.18

JM from 3:15 p.m. to 3:45 p.m.	Van 136 ZYF	Billed \$ 60.00	Paid \$21.98
SG from 3:40 p.m. to 3:50 p.m.	Van 327 ZYF	<u>Billed \$ 60.00</u>	Paid \$21.98

TOTAL		\$426.00	
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**3/20/2009**

DW from 12:22 p.m. to 12:30 p.m.	Van 327 ZYF	Billed \$123.00	Paid \$35.84
JA from 12:30 p.m. to 1:35 p.m.	Van 124 ZYF	<u>Billed \$159.00</u>	Paid \$40.36

TOTAL		\$282.00	
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**3/23/2009**

CB from 12:13 p.m. to 12:28 p.m.	Van 327 ZYF	Billed \$ 60.00	Paid \$23.98
JMZ from 12:15 p.m. to 12:45 p.m.	Van 124 ZYF	Billed \$ 99.00	Paid \$25.76

DW from 3:40 p.m. to 4:20 p.m.	Van 327 ZYF	Billed \$135.00	Paid \$30.28
DM from 3:55 p.m. to 4:10 p.m.	Van 327 ZYF	<u>Billed \$ 60.00</u>	Paid \$21.98

TOTAL		\$354.00	
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**3/24/2009**

FR from 11:30 a.m. to 12:10 p.m.	Van 327 ZYF	Billed \$186.00	Paid \$51.70
EJ from 11:40 a.m. to 12:10 p.m.	Van 124 ZYF	Billed \$132.00	Paid \$ 0.00

JA from 1:13 p.m. to 1:31 p.m.	Van 327 ZYF	Billed \$162.00	Paid \$41.62
JL from 1:15 p.m. to 1:25 p.m.	Van 136 ZYF	<u>Billed \$ 60.00</u>	Paid \$21.98

TOTAL		\$540.00	
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3/26/2009

BA from 12:00 p.m. to 1:26 p.m.	Van 136 ZYF	Billed \$150.00	Paid \$37.84
AJ from 12:50 p.m. to 1:10 p.m.	Van 340 ZYF	Billed \$ 66.00	Paid \$ 0.00
JL from 1:25 p.m. to 1:35 p.m.	Van 340 ZYF	<u>Billed \$ 60.00</u>	Paid \$21.98

TOTAL \$276.00

3/27/2009

DW from 3:55 p.m. to 4:57 p.m.	Van 136 ZYF	Billed \$153.00	Paid \$35.84
JA from 4:15 p.m. to 4:42 p.m.	Van 136 ZYF	<u>Billed \$147.00</u>	Paid \$35.32

TOTAL \$300.00

3/30/2009


DN from 1:00 p.m. to 1:25 p.m.	Van 136 ZYF	Billed \$ 69.00	Paid \$ 3.78
JM from 1:10 p.m. to 1:40 p.m.	Van 136 ZYF	<u>Billed \$183.00</u>	Paid \$48.44

TOTAL \$252.00

GRAND TOTAL \$10,116.16

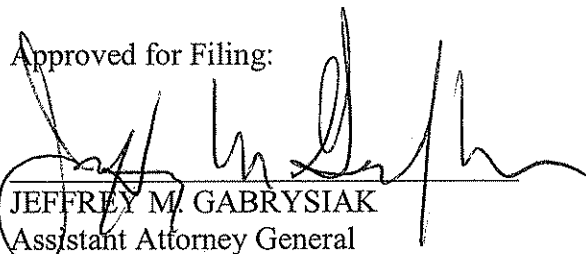
19. Your complainant has also personally interviewed Becci Wiegand of the Bureau of Program Integrity, Wisconsin Department of Health Services, and a person your complainant believes to be truthful and reliable. Your complainant asked her to ascertain if the above-listed trips listing Fred Rutledge as the driver were submitted to the Wisconsin Medicaid Program for payment. In response, she informed your complainant that the above-listed trips listing Rutledge as the driver were submitted to the Department of Health Services, Wisconsin Medicaid Program for payment. Further, Rutledge was paid for this service as indicated above.

Dated this 6<sup>th</sup> day of April, 2011.

  
GREGORY R. SCHULER  
Investigative Auditor  
Medicaid Fraud Control Unit  
Wisconsin Department of Justice

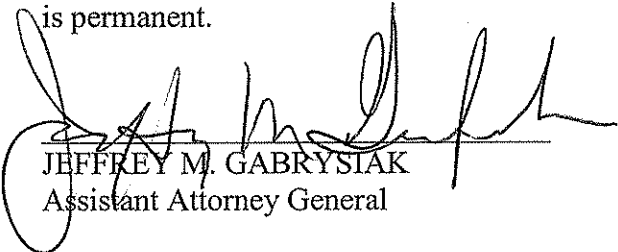


Approved for Filing:



JEFFREY M. GABRYSIAK  
Assistant Attorney General

Subscribed and sworn to before me  
this 6<sup>th</sup> day of April, 2011. My commission  
is permanent.



JEFFREY M. GABRYSIAK  
Assistant Attorney General

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Wisconsin Department of Justice  
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